Chesapeake ENERGY

November 2011 Investor Presentation

Industry Leadership

Leader in production
- Second-largest producer of U.S. natural gas and a Top 15 producer of U.S. liquids
- 3Q'11 gas production of ~2.8 bcf/d; liquids production of ~94 mbbls/d; total production of 3.3 bcfe/d
- Overall production up 9% YOY, liquids production up 91% YOY

Leader in drilling
- #1 driller in the world of horizontal wells and horizontal shale wells
- Most active driller in the U.S.; 171 operated rigs currently and ~105 non-operated rigs; collector of >15% of all daily drilling information generated in the U.S.

Leader in identifying and capturing world-class unconventional natural gas and liquids resources
- In past 4 years, discovered 5 of America's best unconventional plays: Granite Wash, Mississippi Lime, Haynesville Shale, Tonkawa Tight Sand and Utica Shale

Leader in technological innovations in unconventional reservoirs
- #1 inventory of shale core rock data and built industry's only proprietary core analysis facility

Leader in vertical integration into midstream and oilfield service operations
- Provides a hedge against higher service costs and enhances CHK profitability
- Ensures access to critical services, enables greater operational efficiencies and increases safety
- Provides confidence to JV partners in CHK's ability to accelerate drilling and enhance returns

Leader in asset monetizations
- Seven joint ventures, two complete play sales and nine VPPs for proceeds of >$28 billion

Leader in risk management
- #1 hedging track record in the industry; $8.1 billion in realized gains since 1/1/06, or $1.64 per mcfe

CHK's track record of leadership and achievements during the past 22 years has been unique and has positioned the company for superior performance for years to come

Best Assets in the Business

Captured America's largest natural gas and liquids resource base

- 17.7 tcfe of proved reserves at 9/30/11[1]
- 111 tcfe of risked unproved resource potential and 338 tcfe of unrisked unproved resource potential

Unparalleled inventory of U.S. onshore leasehold and 3D seismic

- 15 mm net acres of U.S. onshore leasehold and 30 mm acres of 3D seismic data

Diversified operational focus

- Leading positions in 12 of the Top 15 unconventional liquids-rich plays in the U.S.
  - #1 in the Anadarko Basin (including Granite Wash, Cleveland, Tonkawa and Mississippi Lime plays)
  - #1 in the Utica Shale
  - #2 in the Eagle Ford Shale
  - #3 in the Niobrara Shale in the Powder River and DJ Basins
  - Top 5 in the Permian Basin (includes Avalon, Bone Spring, Wolfcamp and Wolfberry plays)
  - Top 10 in the Williston Basin
- Leading positions in 4 of the Top 5 best U.S. unconventional natural gas shale plays (sold the Fayetteville)
  - #1 in the Marcellus Shale
  - #1 in the Haynesville Shale
  - #1 in the Bossier Shale
  - #2 in the Barnett Shale

High quality assets

- PXP, BP, STO, TOT, CNOOC JVs and BHP Fayetteville sale validate asset quality and value
- Exclusive focus onshore U.S. where the highest risk-adjusted returns in the industry are available
  - Recent transactions demonstrate that world-class energy companies agree with CHK's assessment

(1) Based on trailing 12-month average price required by SEC rules; 18.5 tcfe based on 10-year average NYMEX prices
Note: Risk disclosure regarding unproved resource estimates appears on page 47

Utica Shale JV and Financial Investment Summary

- CHK has entered into letter of intent (LOI) with an undisclosed international major energy company through which the JV partner will acquire an undivided 25% interest in ~570,000 net acres of CHK leasehold in the wet natural gas area of the Utica Shale play for consideration of $15,000 per net acre or ~$2.14 billion
  - ~$640 million of the consideration will be paid in cash at closing (anticipated by mid-December 2011) and ~$1.5 billion will be paid in the form of a drilling and completion cost carry, which CHK anticipates fully receiving by YE 2014
- Completed sale to EIG Global Energy Partners (“EIG”) of $500 million of perpetual preferred shares of a newly formed entity, CHK Utica, L.L.C.
  - CHK expects to sell up to $750 million of additional CHK Utica, (“CHKU”) preferred shares to other investors, including limited partners of EIG, by 11/30/11
  - CHK Utica is a wholly owned, unrestricted subsidiary of CHK that owns ~700,000 net acres within an area of mutual interest in 13 counties primarily in eastern OH and western PA
  - Chesapeake has retained all the common interests in CHKU and therefore the upside

Strong 3Q '11 Results

» Top-tier production growth

- 3Q '11 production averaged 3.3 bcfe/d; up 9% YOY and up 9% sequentially
- 3Q '11 liquids production of 94,000 bbls/d, up 91% YOY and 21% sequentially, to 17% of total production and 40% of unhedged natural gas and liquids revenue

» Strong 3Q '11 financial performance

- ~$1.4 billion of adjusted ebidta[1]
- ~$1.4 billion of operating cash flow[1][2]
- ~$0.5 billion of adjusted net income to common[1]
- $0.72 of adjusted earnings per fully diluted common share[1]
- Realized hedging gains of $344 million, or $1.12 per mcfe

» In the first three quarters of 2011, CHK added new net proved reserves before sales of 4.2 tcfe through the drillbit at cost of $1.08 per proved mcfe[3]

» Increased liquids forecasts to an average of 150,000 bbls/d in 2012, 200,000 bbls/d in 2013 and 250,000 bbls/d in 2015

(1) Reconciliations of non-GAAP financial measures to comparable GAAP measures appear on pages 44 – 46
(2) Before changes in assets and liabilities
(3) Based on trailing 12-month average price required by SEC rules

Relentlessly Focused on Strong Financial and Operational Performance

Chesapeake ENERGY

Delivering consistent production growth

- 22 consecutive years of sequential production growth

Efficiently developing low cost reserves and production

- In the first three quarters of 2011, CHK adds new net proved reserves before sales of 4.2 tcfe through the drillbit at a drilling and completion cost of $1.08 per mcfe(1)

Generating strong profitability

- For 2011, projecting ~$5.1 billion of ebitda and ~$2.0 billion of net income(2)
- For 2012, projecting ~$6.5 billion of ebitda and ~$2.5 billion of net income(2)
- For 2015, targeting ~$11.2 billion of ebitda and ~$4.5 billion of net income(2)

Accelerating drilling on liquids rich plays to expand margins and enhance returns

- Aggressively shifting capital to liquids rich plays; ~50% of 2011 capital and ~75% of 2012 capital will be directed to liquids rich plays
- Targeting liquids production mix to grow from ~10% in 2010 to 20-25% in 2012 and 30% in 2013
  - Have set goal to average 250,000 bbls/d of liquids production in 2015, potentially making CHK a Top 5 liquids producer in the U.S.
- Shift will drive per unit ebitda, operating cash flow, net income and overall shareholder returns higher

Executing on our 30/25 Plan

- Projecting two-year (2011-12) production growth of at least 30%, net of asset sales
- ~$9.0 billion of monetizations YTD (more to come) and purchased ~$2.0 billion of senior notes

Targeting investment grade metrics by YE 2012; <$0.50/mcfe of net debt to proved reserves

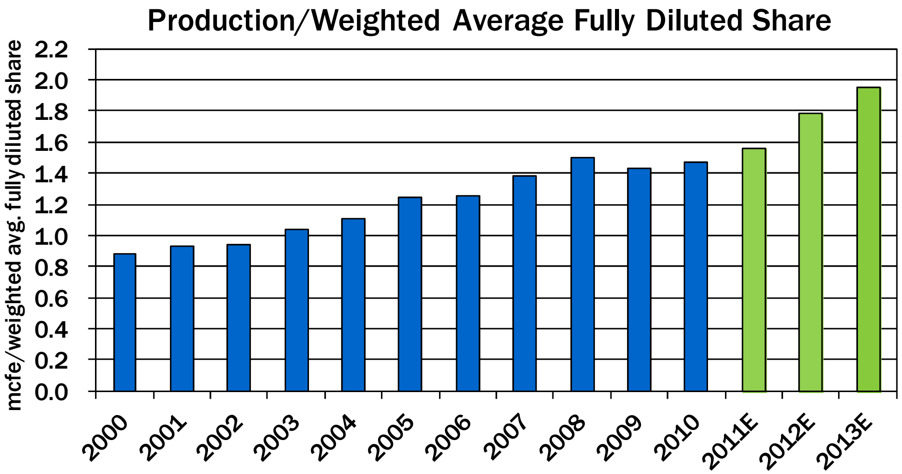
Data above incorporates CHK's Outlook as of 11/3/11

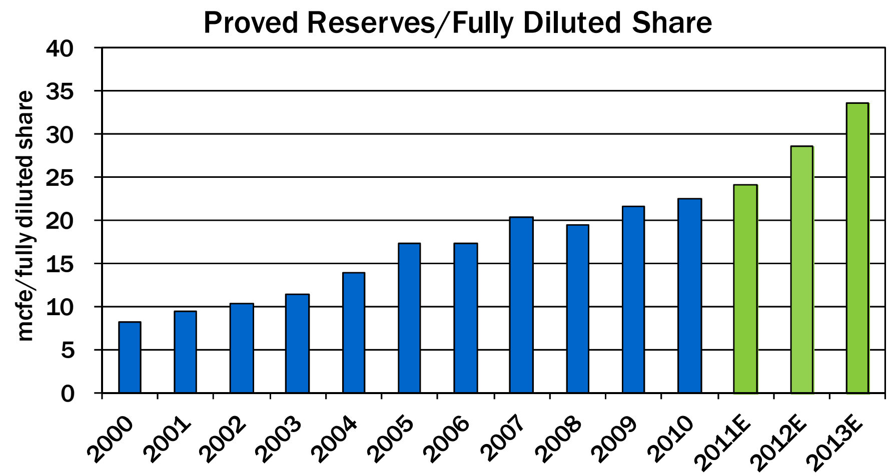
(1) Based on trailing 12-month average price required by SEC rules

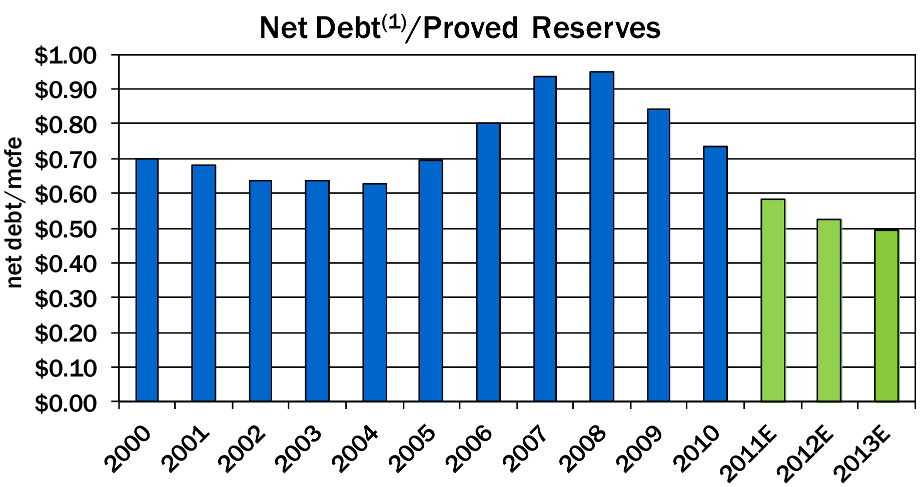
(2) Assuming average NYMEX natural gas prices of $5.00/mcf in 2011 and 2012, $6.00 /mcf in 2015 and average NYMEX oil prices of $85.00/bbl in 2011 and $100.00/bbl in 2012 and 2015

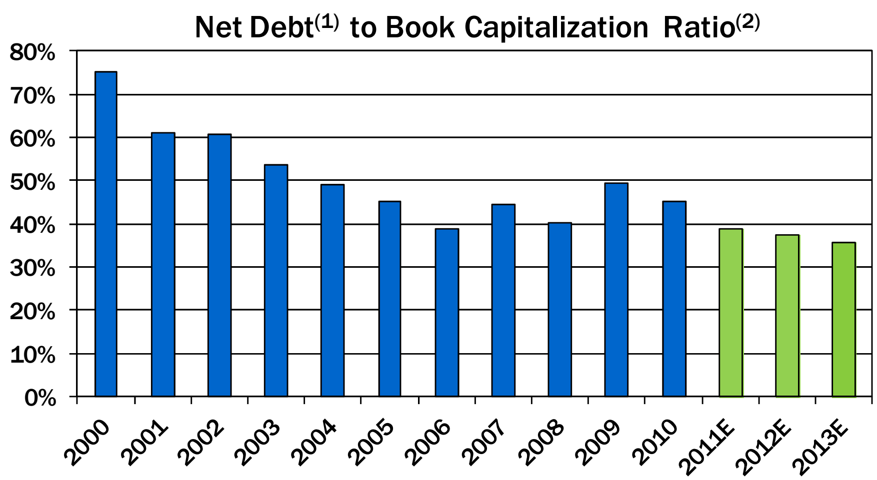
Note: Risk disclosure regarding unproved resource estimates appears on page 47

Relentlessly Focused on Per Share Growth, Accelerating From Here









Impressive per share growth combined with decreasing financial leverage

Data above incorporates:

- CHK's Outlook dated 11/3/11

(1) Net debt = long-term debt less cash
(2) Assumes NYMEX prices of $4.50, $5.00 and $6.00 per mcf in 2011, 2012 and 2013; $85.00 per bbl in 2011 and $100.00 per bbl in 2012 and 2013

Growth Opportunity, Plus a Remarkable Value Opportunity for Investors

Chesapeake ENERGY

(in millions)

Price per share	$30.00	$35.00	$40.00
Fully diluted common shares	766	766	766
Market capitalization	$22,980	$26,810	$30,640
Plus: Long-term debt (net of cash equivalents)[1]	$10,300	$10,300	$10,300
Plus: net working capital	$2,700	$2,700	$2,700
Enterprise value	$35,980	$39,810	$43,640
PV-10 of proved reserves @ 9/30/11[2]	($25,000)	($25,000)	($25,000)
PV-10 of future JV drilling carries on unproved resources[1]	($2,600)	($2,600)	($2,600)
Midstream assets @ market value (CHKM, CMD)	($4,100)	($4,100)	($4,100)
Oilfield service assets and investments @ market value	($7,000)	($7,000)	($7,000)
Long-term derivative liabilities @ 9/30/11	$1,500	$1,500	$1,500
Implied value of risked unproved resources	($1,220)	$2,610	$6,440
Risked unproved resources (bcfe)	110,700	110,700	110,700
Implied value of risked unproved resources ($/mcfe)	($0.01)	$0.02	$0.06

(1) Pro forma for Utica Shale industry JV LOI and EIG investment announced on 11/3/11
(2) Based on 10-year average NYMEX prices

Remarkably, America's largest unproved natural gas and liquids resource base is trading for free in the current market

CHK Net Asset Value Analysis

($ in millions, except per share data)	9/30/2011 - pro forma NAV @ various NYMEX natural gas prices[1] $4.00	$5.00	$6.00	$7.00
Proved reserves @ PV 10	$ 17,300	$ 23,600	$ 30,200	$ 36,900
Unproved resources[2]	44,900	59,700	76,500	97,400
Value of CHK oil and natural gas hedges[3]	(600)	(600)	(600)	(1,400)
Midstream assets[4]	4,100	4,100	4,100	4,100
Other assets[5]	4,400	4,400	4,400	4,400
STO, TOT & CNOOC: PV of future drilling carries[6]	2,600	2,600	2,600	2,600
Less: long-term debt (net of cash equivalents)[7]	(10,300)	(10,300)	(10,300)	(10,300)
Less: net working capital[7]	(2,700)	(2,700)	(2,700)	(2,700)
Shareholder value	$ 59,700	$ 80,800	$ 104,200	$131,000
Fully diluted common shares (in millions)[8]	766	766	766	766
NAV per share	$ 78	$ 105	$ 136	$ 171
Potential % upside[7]	160%	252%	353%	470%
Asset value to long-term debt	6.8x	8.8x	11.1x	13.7x

NYMEX Strip Prices @ 10/28/2011	Oil	Natural Gas
2011	$93.67	$4.11
2012	$92.73	$4.15
2013	$91.48	$4.68
2014	$90.58	$5.04
2015	$90.42	$5.32
Average (2011-2015)	$91.77	$4.66

- Pro forma for Utica Shale industry JV LOI and EIG investment announced on 11/3/11

(1) NYMEX gas price changes and NYMEX oil price held constant at $94.32 per bbl
(2) 110.9 tcfe of unproved resources
(3) As of 11/3/2011 Outlook
(4) CMD assets based on market value and CHKM assets based on $27.00 per unit
(5) Building, drilling rigs, other assets at net book value and investments at market value
(6) Excludes existing carries included in proved reserve report above
(7) Net of cash and current derivative assets and liabilities
(8) Based on common stock price of $30.00 per share

Three Transitions Underway for CHK and U.S. Natural Gas Industry

<u>In the next few years:</u>

- Majority of U.S. natural gas producers will have completed their transition from running "gas factories" making $4/unit widgets to "liquids factories" making $10-17/unit widgets
- Industry's (and CHK's) profitability and returns about to pivot upward
- Arrival of the global oil industry to invest into the U.S. E&P industry will reprice U.S. E&P assets
  - BHP's announced $15.1 billion offer for HK and their prior purchase of CHK's Fayetteville assets for $4.65 billion, plus recent industry JV's prove investors are undervaluing E&P industry's assets
- Arrival of the global oil equity investor will also help reprice U.S. E&P's, which to date have attracted very few global investors as shareholders
  - Global oil investors, to date, have had limited reasons to invest in U.S. E&P's – from here on, U.S. E&P's will represent the best risk-adjusted way for global equity investors to invest in oil volume growth stories

Time to Get Bullish on Out Year Natural Gas?

Chesapeake ENERGY

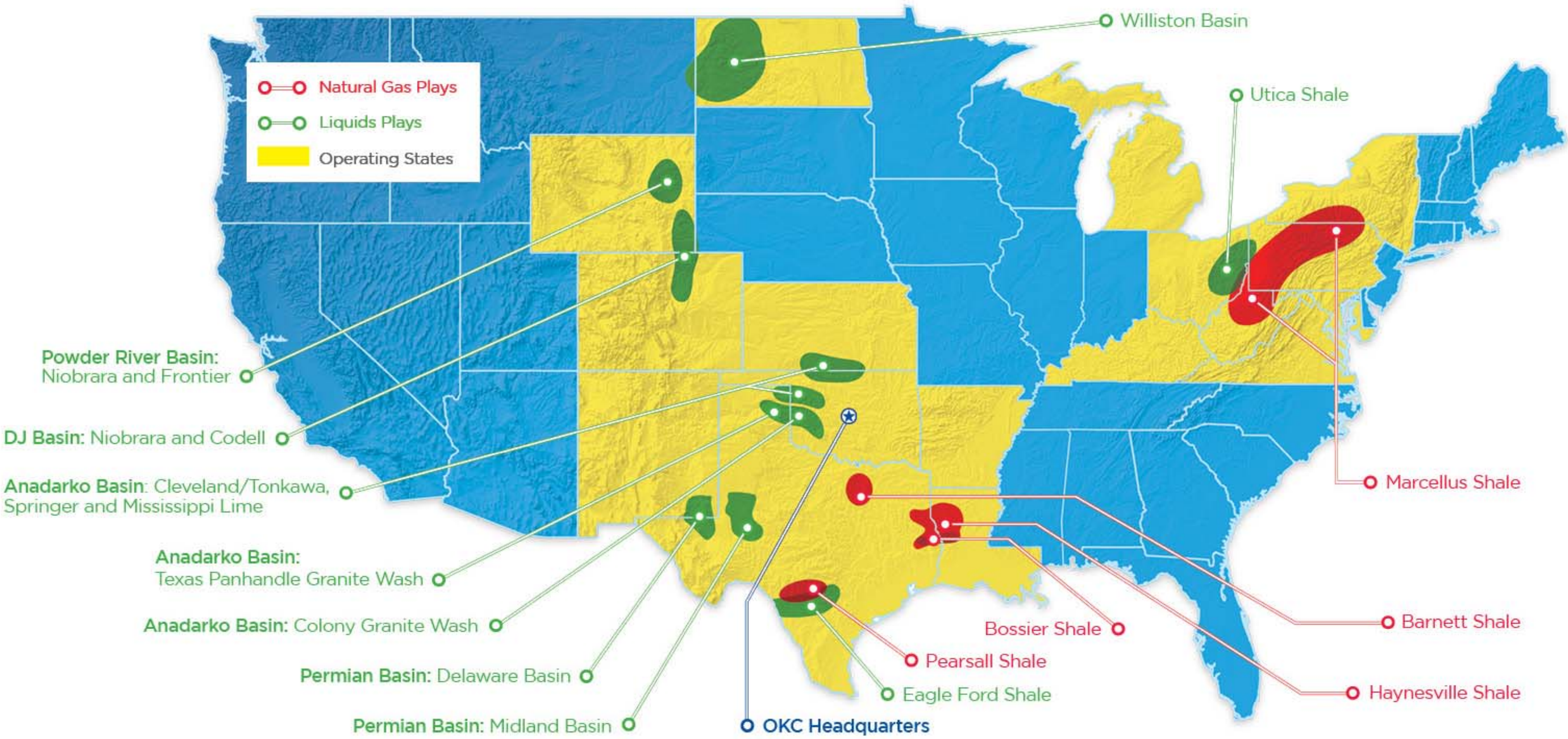
Many reasons to be bullish on intermediate and long-term natural gas prices:

- U.S. natural gas producers are rapidly moving to an oilier production base
  - Once producers convert to drilling wells that produce $10-17/mcfe units and finish drilling to HBP their gas shale leases, why would they go back to drilling natural gas wells if prices increase from $4/mcf to $5/mcf or to $6/mcf to $7/mcf? CHK believes this is the single biggest misunderstood aspect of the future bull case for U.S. natural gas…
- Conversion of U.S. liquefaction import facilities to LNG export facilities
  - U.S. will be exporting gas via LNG by YE 2015, when this becomes obvious in 2012, out year strip prices will go up as clear pathway develops for U.S. to connect with world natural gas prices
- Growing industrial demand
  - U.S. natural gas prices are lowest in the industrialized world and well below oil-based naphtha prices
- Continuing and accelerating shift from coal to natural gas for U.S. electrical generation
  - Electrical generation natural gas demand could increase 10-15 bcf/d over the next decade
- Construction of U.S. GTL and biofuel plants
  - Several will be built in U.S. by 2015-16, Sasol's GTL project in Louisiana will alone consume 800 mmcf/d by 2017
- Quickening momentum for CNG and LNG vehicles
  - $4+ gasoline and diesel prices will cause the market to force policy changes
  - When this becomes obvious in 2012, out year strip prices will go up as clear pathway develops for U.S. natural gas to connect with world oil prices

The best time to make money is at the point of maximum negativity on natural gas prices. Are we still there? Actually, we think we're now past that time…

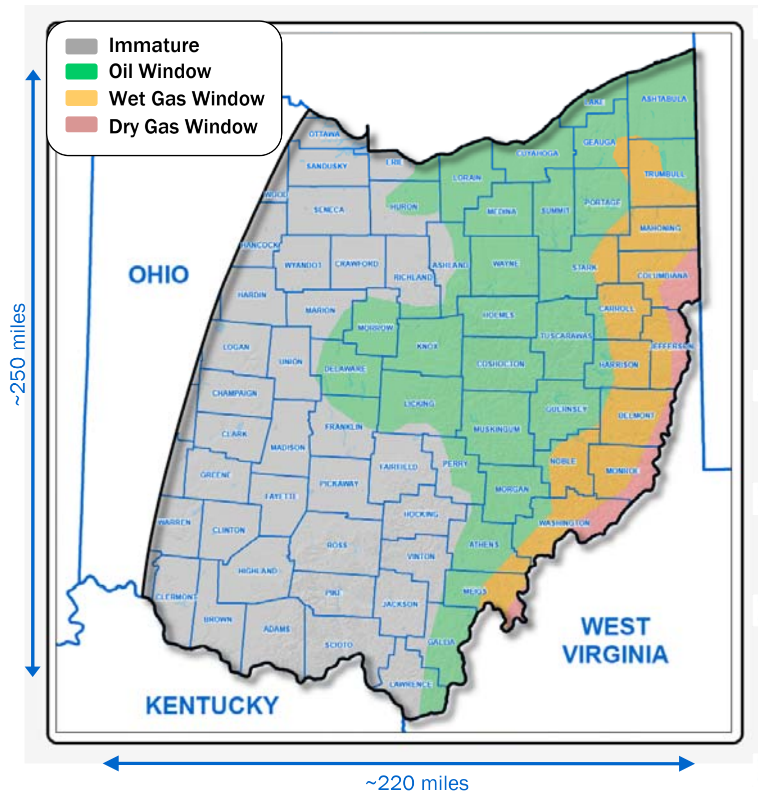
Best Assets in the Business

CHK's Operating Areas



Low-risk, U.S. onshore asset base; not exposed to economic, geopolitical or technological risks internationally or in the Gulf of Mexico

CHK's Newest Major Discovery – Liquids Rich Ohio Utica Shale



Map source: Modified from Rowan, 2006, Geological Survey

- Began leasing in Ohio for Utica in mid-2010 now have:
  - 1.36 mm net acres of leasehold, by far the largest position in industry[1]
    - ~50% of the potentially drillable acres
  - Extensive well log and petrophysical data as well as 11 proprietary core wells totaling ~4,000 feet of rock
  - Spudded 19 horizontal wells to date, 8 being completed
- Strong initial drilling results from 7 horizontal producing wells in the wet gas and dry gas phases
- Early in the process of evaluating the oil phase
  - ~75% of CHK's leasehold focused in wet gas and oil phases
- CHK is currently operating 5 rigs in the play
  - Plan to increase operated rigs in the play up to 8 by YE'11, up to 20 by YE'12 and up to 30 by YE'14
- Believe the play is likely most analogous, but economically superior, to the Eagle Ford in South Texas

(1) Pro forma for Utica Shale industry JV LOI announced on 11/3/11

Best E&P Drilling Inventory in the U.S.

Play Type/Area	CHK Industry Partner	CHK Net Acreage(1)	CHK Est. Drilling Density (Acres)	CHK Risk Factor	CHK Risked Net Undrilled Wells(1)	CHK Total Proved Reserves (bcfe)(1)(2)	CHK Risked Unproved Resources (bcfe)(1)	CHK Total Proved Reserves and Risked Unproved Resources (bcfe)(1)	CHK Unrisked Unproved Resources (bcfe)(1)	CHK Oct-11 Daily Net Production (mmcfe)	CHK Oct-11 Operated Rig Count
Natural Gas Shale Plays:											
Marcellus Shale	STO	1,780,000	90	60%	7,850	1,204	37,800	39,004	95,300	370	29
Haynesville Shale	PXP	460,000	80	30%	3,710	4,293	15,300	19,593	23,100	1,195	19
Bossier Shale(3)		190,000	80	60%	950	21	3,900	3,921	9,800	10	0
Barnett Shale	TOT	220,000	60	25%	1,610	4,169	2,700	6,869	3,600	485	15
Pearsall Shale(4)	CNOOC	350,000	160	75%	550	6	2,500	2,506	9,800	ND	0
Subtotal		2,460,000	Various		14,670	9,693	62,200	71,893	141,600	2,060	63
Unconventional Liquids Plays:											
Anadarko Basin(5)		2,385,000	155	70%	4,895	2,862	13,300	16,162	37,200	540	44
Eagle Ford Shale	CNOOC	460,000	80	50%	2,830	559	8,000	8,559	16,500	85	30
Permian Basin(6)		830,000	160	64%	1,810	332	2,700	3,032	8,800	120	13
Powder River and DJ Basin(7)	CNOOC	640,000	ND	ND	ND	ND	ND	ND	ND	ND	11
Utica Shale	ND	1,357,500	ND	ND	ND	ND	ND	ND	ND	ND	5
Other		400,000	ND	ND	ND	ND	ND	ND	ND	ND	2
Subtotal		6,072,500	Various		14,880	3,779	41,900	45,679	162,000	780	105
Other Conventional and Unconventional Plays		6,325,000	Various	Various	9,150	5,005	6,600	11,605	34,000	630	3
Total		14,857,500			38,700	18,476	110,700	129,176	337,600	3,470	171

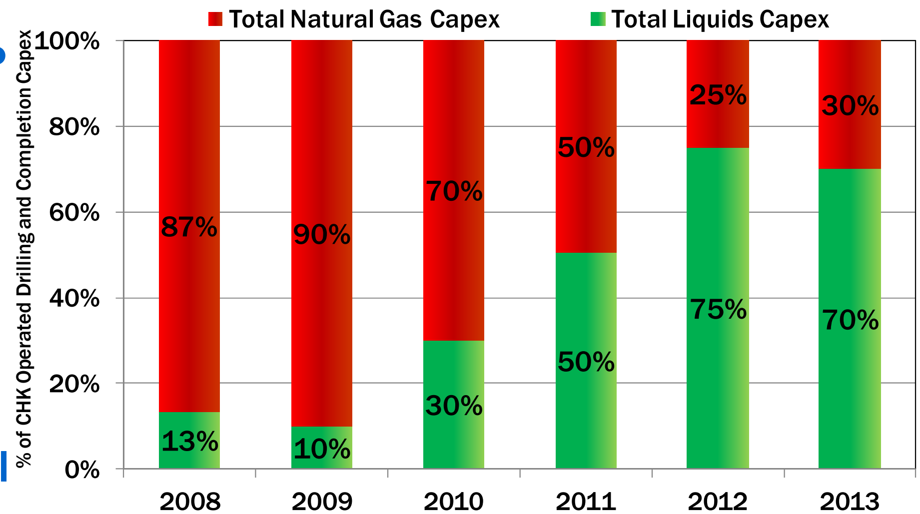
- ND denotes "not disclosed"
- Risk disclosure regarding unproved resource estimates appears on page 47

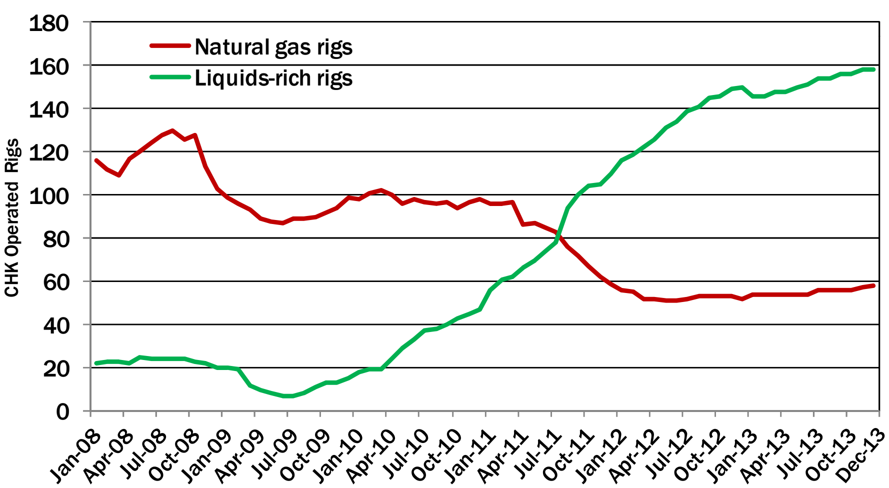
(1) As of 9/30/2011; pro forma for Utica Shale industry JV LOI announced on 11/3/11
(2) Based on 10-Year average NYMEX strip prices at 9/30/2011; 17.7 tcfe total of proved reserves using trailing 12-month average price required by SEC rules
(3) Bossier Shale acreage overlaps with Haynesville Shale acreage and is excluded from the shale play subtotal to avoid double counting of acreage
(4) Pearsall Shale acreage overlaps with Eagle Ford Shale acreage and is excluded from the shale play subtotal to avoid double counting of acreage
(5) Includes Granite Wash, Cleveland, Tonkawa and Mississippi Lime plays
(6) Includes various Delaware and Midland Basin plays, including Wolfcamp, Avalon, Bone Spring and Wolfberry
(7) Includes Niobrara, Frontier, Codell and Greenhorn plays

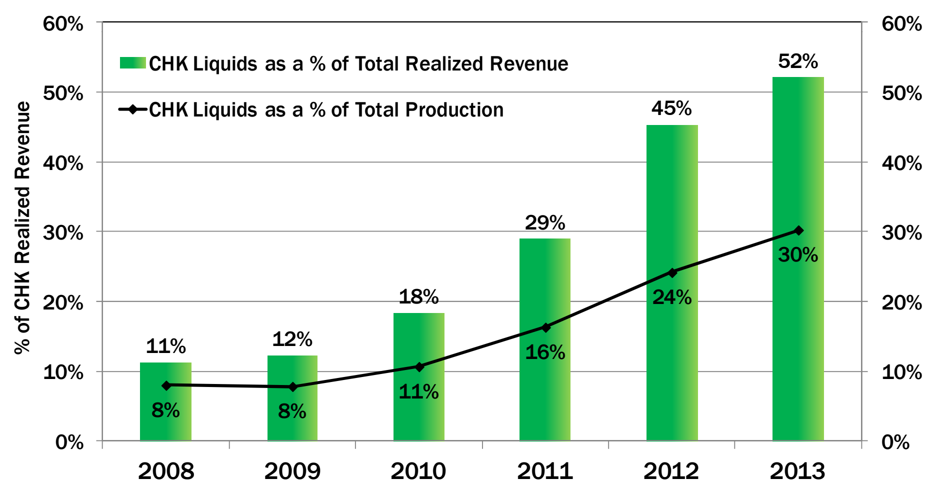
Aggressively Shifting Capital to Liquids-Rich Plays

Chesapeake ENERGY

- CHK continues to reduce drilling of natural gas wells in 2011, except for those required to HBP leasehold or use drilling carries
- Accelerating drilling of liquids-rich plays through YE'12 when CHK's drilling capex is 25/75% between natural gas plays and liquids-rich plays
- Dramatically improving drilling rates of return and unit profitability
- Production from liquids potentially 30% of total in 2013; revenue potentially 50%



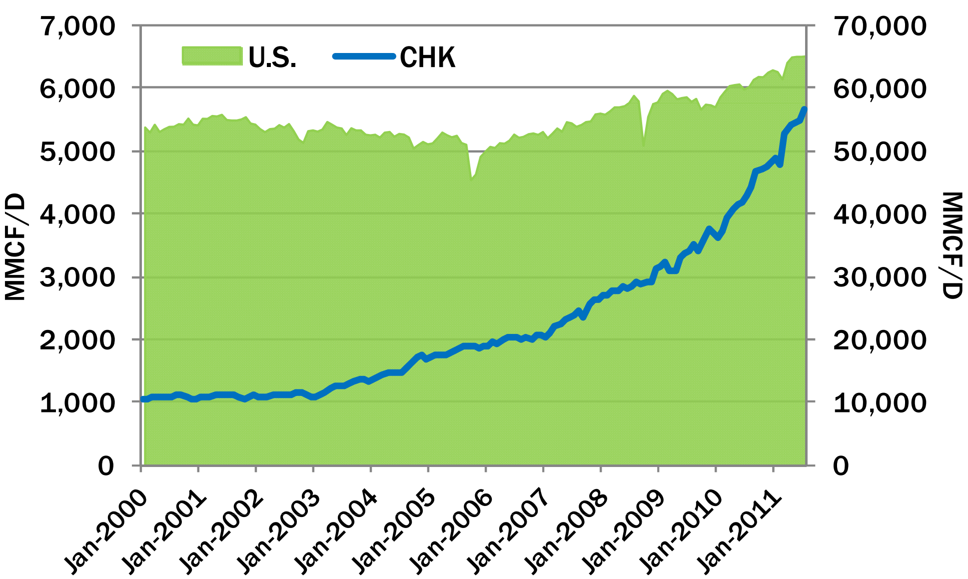


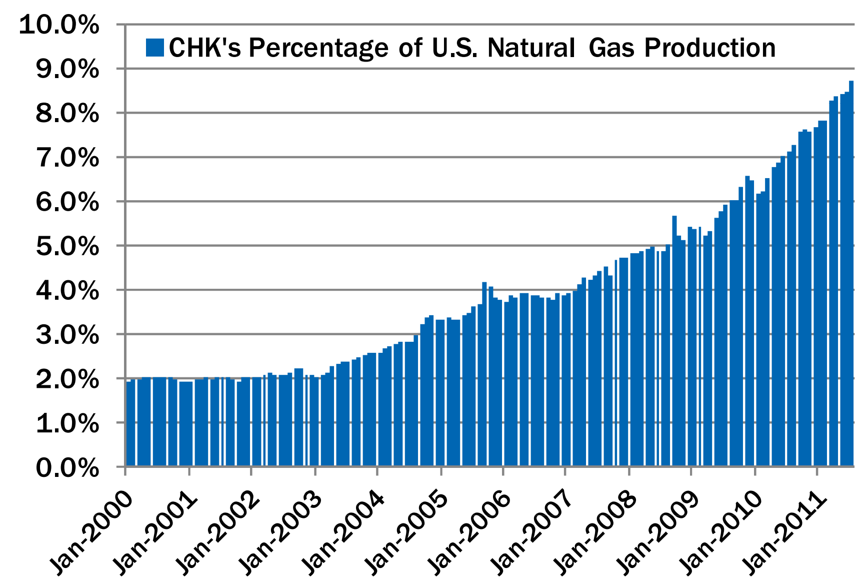


CHK will fund shift to liquids-rich plays by decreasing gas drilling and utilizing drilling carries from new JV partners

CHK Has Been Responsible for Nearly Half of U.S. Natural Gas Growth Over Past Decade

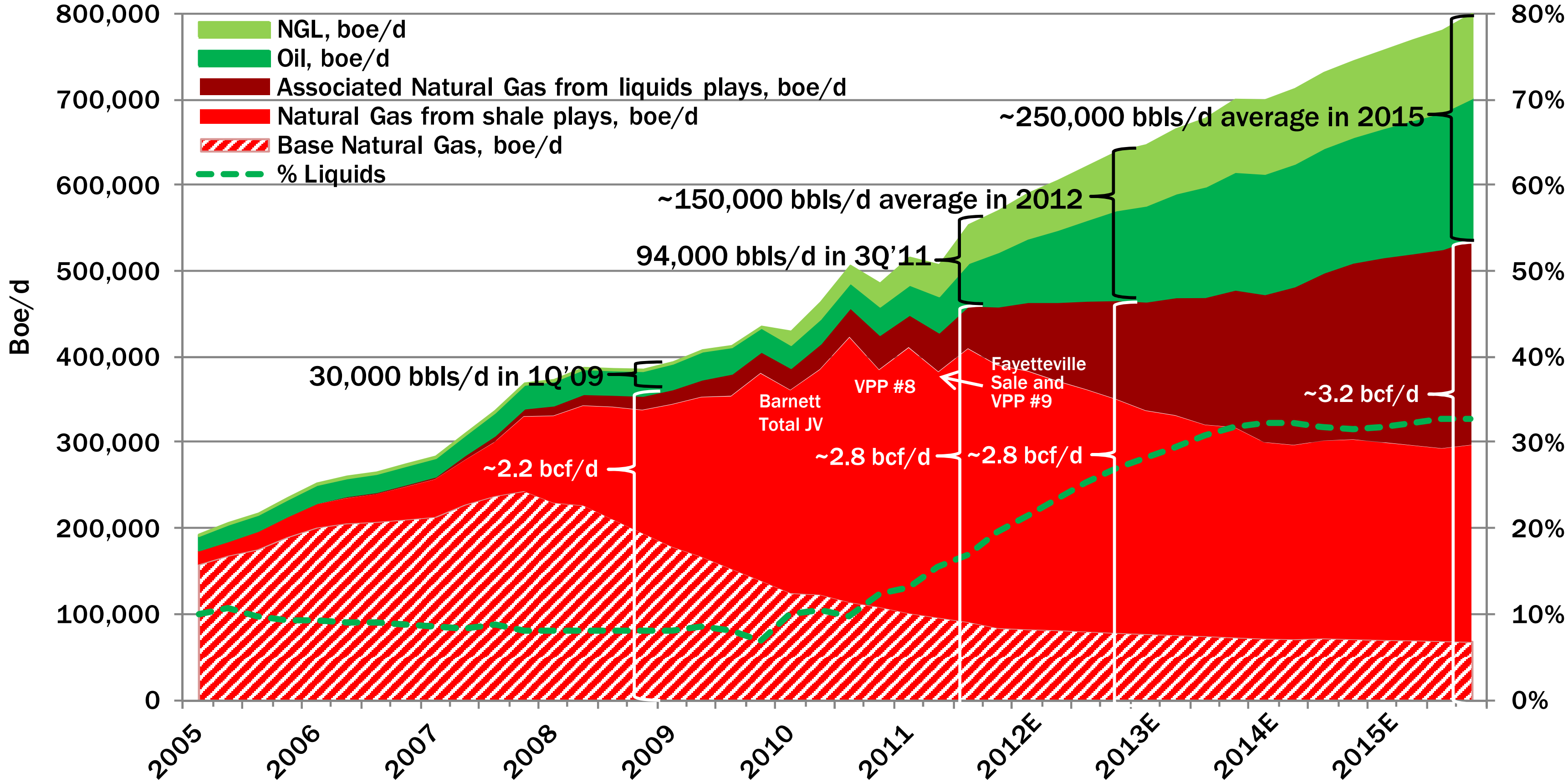
- U.S. natural gas production has increased 10 bcf/d from 54 bcf/d in 2000 to 64 bcf/d in 2011[1]
- CHK's average gross operated gas production has grown 4.3 bcf/d from 1.1 bcf/d in 2000 to 5.4 bcf/d YTD 2011, 43% of total U.S. growth
  - Over the past 11 years, CHK has moved from 2.0% to 8.3% of daily U.S. natural gas production
- With 2.0% of the U.S. natural gas production market share in 2000, CHK grew its gross operated production 472% from beginning of 2000 – until now while the other 98% of producers grew gross operated production only 12%
  - As CHK's production remains flat by design, remaining U.S. gas production will likely not be able to grow





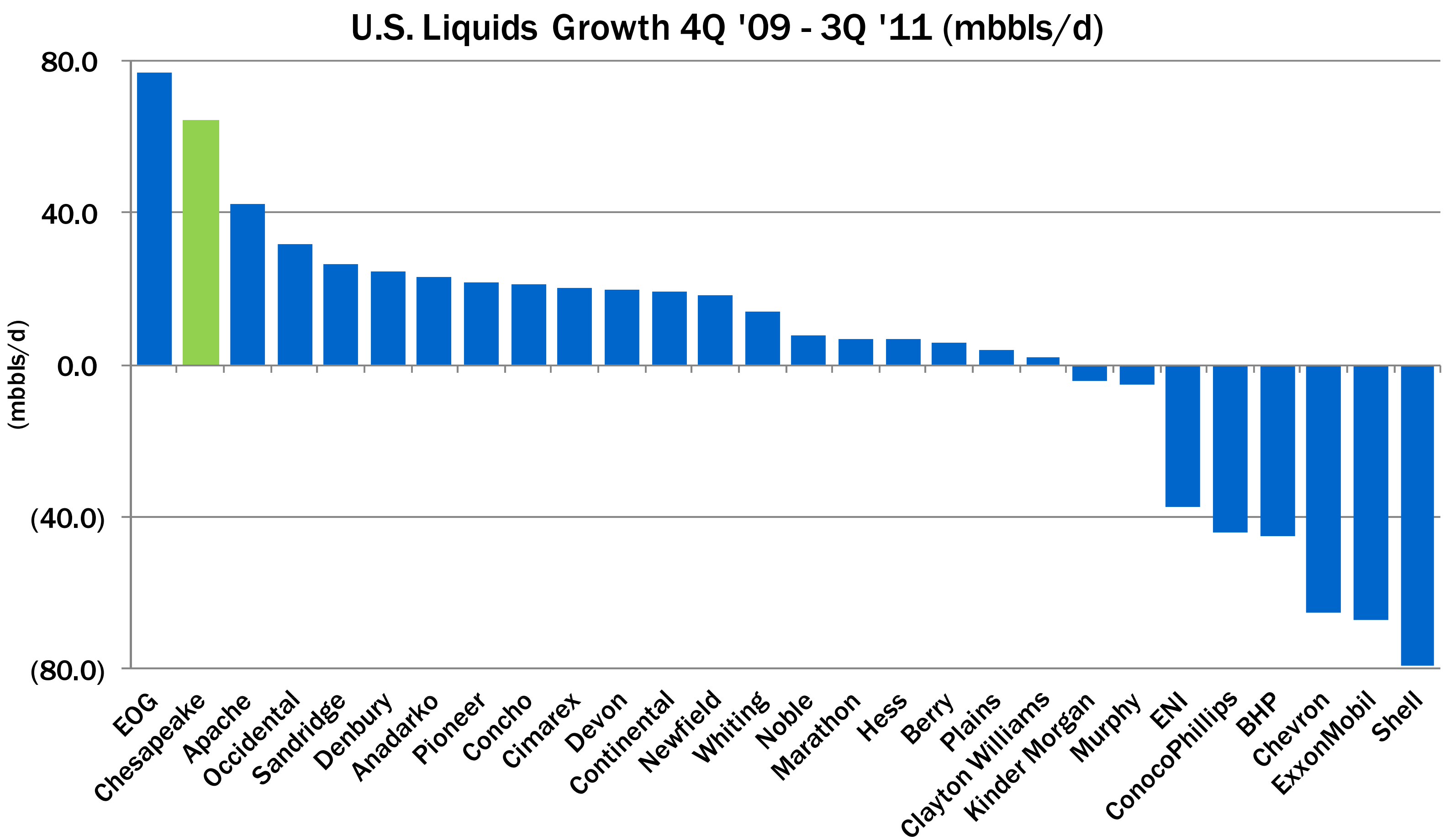
Source: EIA and CHK internal data
1) Data through August 2011

CHK's Growth is Shifting to Liquids



CHK's modeling indicates 2015 liquids goal of averaging 250,000 bbls/day should be achievable solely through organic growth

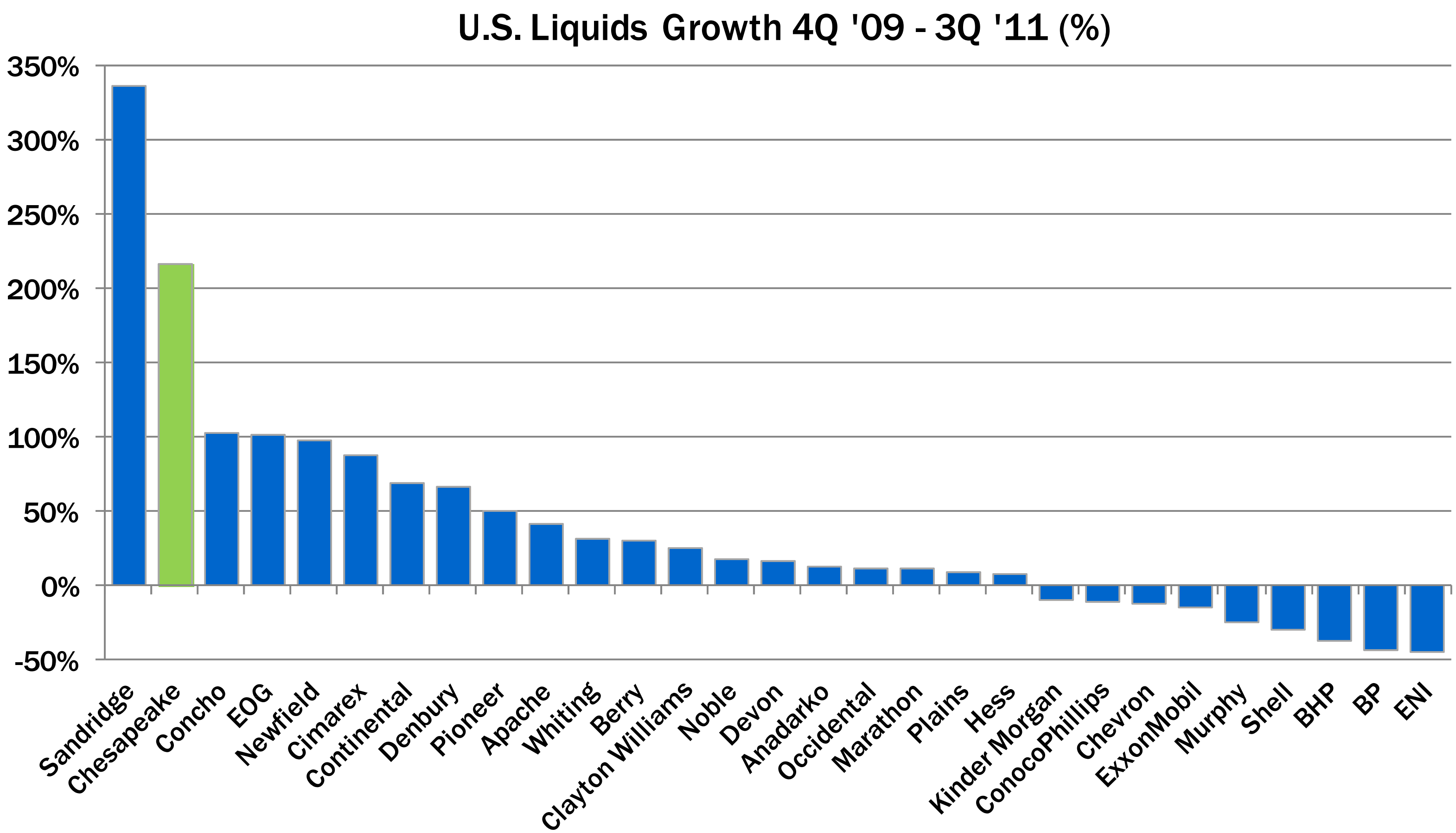
CHK Has Delivered One of the Very Best Liquids Volume Growth Stories in the Industry…



Source: Company reports

And we've just begun, now targeting average liquids production of 250,000 bbls/d in 2015

… and One of the Very Best Percentage Liquids Growth Stories in the Industry



Source: Company reports

Since 4Q '09, CHK's liquids production is up 216%, and since 1Q '11, is up 40%

Chesapeake Oilfield Services, L.L.C.

Chesapeake Oilfield Services, L.L.C. strategic advantages:

- CHK's in-house service companies provide premium services and products, but also serve as a hedge against oilfield inflation
- CHK has targeted business lines that present bottlenecks to upstream operations or generate outsized profits to the providers
- Controlling service equipment allows CHK to provide certainty and safety of development program timing to potential operating partners
- Major point of differentiation relative to all other public E&P's
- Internal capabilities ensure CHK's ability to move into potential plays quickly and without industry disruption
- CHK maintains competitive advantage by reducing leakage of information pertaining to new plays
- This is a big business, estimated to be worth ~$5.0 billion in 2012

Recently announced Executive Management Team:

- Jerry L. Winchester, Chief Executive Officer (ex-HAL)
- James G. "Jay" Minmier, President of Nomac Drilling and CHK Directional Drilling (ex-PDS)
- William R. "Bill" Stanger, President of PTL (ex-SLB)
- Zachary M. "Zac" Graves, President of Thunder Oilfield Services (ex-BRNC)
- Al Lavenue, President of Compass Manufacturing and MidCon Compression (ex-EXH)
- David L. "Dave" Fisher, Chief Administrative Officer (ex-CHK)

Relentlessly Focused on Strong Financial Performance

Off to a Fast Start Implementing the "30/25 Plan"

- Announced an industry JV letter of intent and a financial transaction in the Utica shale combining for net proceeds of ~$3.4 billion
- Closed joint venture with CNOOC in the DJ and Powder River Basins for ~$1.3 billion of cash and drilling carries in February '11
- Closed sale of Fayetteville Shale assets for net proceeds of ~$4.65 billion in cash to a wholly owned subsidiary of BHP Billiton Ltd (NYSE: BHP; ASX: BHP) in March '11
- Repurchased ~$2 billion of senior notes and contingent convertible senior notes YTD
- Closed VPP 9 proceeds of ~$850 mm for ~180 bcfe of proved reserves or ~$4.82/mcfe in May '11
- Helped develop recapitalization plan for Frac Tech Services, LLC; received a cash distribution of ~$200 million and now own 30% of Frac Tech's common stock with a $100 million cost basis
- More monetizations on the way
- Projection growth so strong in first 6 months of "25/25 Plan" we had to amend it to the "30/25 Plan"

CHK has an unmatched track record of leading the industry in executing joint venture transactions and monetizations to de-risk developing plays

Case Study on CHK's Major JVs and Shale Plays(1)

	($ billions)
Capital Invested	
Historical cost of buying acreage	($19.0)
Historical cost of drilling wells	($14.8)
Capital Invested	**($33.8)**
Cash Inflows	
Cash flow from producing wells	$5.8
Cash received from JVs, asset sales and promotes	$14.5
Cash from drilling carries(2)	$6.9
Cash Inflows	**$27.2**
Retained Asset Value	
PV10 of proved reserves(3)	$13.3
Value of unproved leasehold (4)	$34.7
Retained Asset Value	**$48.0**
Total net cash flow and retained asset value	**$41.4**
Return on investment (ROI)	222%

(1) Includes Haynesville, Bossier, Fayetteville, Woodford, Marcellus, Barnett, Eagle Ford, Niobrara and Utica (pro forma for industry JV LOI announced on 11/3/11)
(2) Includes carries received to date plus the present value of those yet to be received, excludes existing carries included in proved reserve report associated with PUDs
(3) Based on 10-year average NYMEX prices at 9/30/11
(4) Based on undeveloped unproved leasehold at the following rate per acre: Haynesville: $12,500, Bossier: $10,000, Marcellus: $12,500, Barnett: $5,000, Eagle Ford: $12,500, Niobrara: $4,750, Utica: $15,000 for the 570,000 acres in JV LOI announced on 11/3/11 (value for remaining Utica leasehold not included)

2011 Financial Projections at Various Natural Gas Prices

Chesapeake ENERGY

($ in millions; oil at $92.84 NYMEX)	$4.00	$5.00	$6.00	$7.00
O/G revenue (unhedged) @ 1,172 bcfe(1)	$4,960	$5,050	$5,130	$5,210
Hedging effect(2)	1,560	1,560	1,560	1,550
Marketing and other	380	380	380	380
Production taxes 5%	(250)	(250)	(260)	(260)
LOE (@ $0.95/mcfe)	(1,110)	(1,110)	(1,110)	(1,110)
G&A (@ $0.47/mcfe)(3)	(540)	(540)	(540)	(540)
Ebitda	5,000	5,090	5,160	5,230
Interest (@ $0.08/mcfe)	(90)	(90)	(90)	(90)
Operating cash flow(2)(3)(4)	4,910	5,000	5,070	5,140
Oil and gas depreciation (@ $1.33/mcfe)	(1,550)	(1,550)	(1,550)	(1,550)
Depreciation of other assets (@ $0.23/mcfe)	(260)	(260)	(260)	(260)
Income taxes (39% rate)	(1,210)	(1,240)	(1,270)	(1,300)
Net income attributable to noncontrolling interest (5)	(4)	(4)	(4)	(4)
Net income(1)	$1,886	$1,946	$1,986	$2,026
Net income to common per fully diluted shares	$2.51	$2.59	$2.65	$2.70
Debt to book capitalization ratio	39%	39%	38%	38%
MEV/operating cash flow(7)	4.7x	4.6x	4.5x	4.5x
EV/ebitda(8)	7.2x	7.1x	7.0x	6.9x
PE ratio(9)	12.0x	11.6x	11.3x	11.1x

As of 11/3/11 Outlook

(1) Before effects of unrealized hedging gain or loss
(2) Includes the non-cash effect of lifted hedges and financing derivatives
(3) Includes charges related to stock based compensation
(4) Before changes in assets and liabilities
(5) Net income attributable to noncontrolling interest of Chesapeake Granite Wash Trust
(6) Net debt = long-term debt less cash
(7) MEV (Market Equity Value) = $23.0 billion ($30.00/share x 766 mm fully diluted shares as of 9/30/11)
(8) EV (Enterprise Value) = $36.0 billion (MEV plus $10.3 billion in net long-term debt plus $2.7 billion working capital deficit as of 9/30/11); pro forma for Utica Shale industry JV LOI and EIG investment announced 11/3/11
(9) Assuming a common stock price of $30.00/share

2012 Financial Projections at Various Natural Gas Prices

Chesapeake ENERGY

($ in millions; oil at $100 NYMEX)	$4.00	$5.00	$6.00	$7.00
O/G revenue (unhedged) @ 1,350 bcfe[1]	$7,050	$8,070	$9,090	$10,110
Hedging effect[2]	240	240	240	160
Marketing and other	540	540	540	540
Production taxes 5%	(350)	(400)	(450)	(510)
LOE (@ $0.95/mcfe)	(1,280)	(1,280)	(1,280)	(1,280)
G&A (@ $0.47/mcfe)[3]	(630)	(630)	(630)	(630)
Ebitda	5,570	6,540	7,510	8,390
Interest (@ $0.08/mcfe)[4]	(100)	(100)	(100)	(100)
Operating cash flow[2][3][4]	5,470	6,440	7,410	8,290
Oil and gas depreciation (@ $1.50/mcfe)	(2,030)	(2,030)	(2,030)	(2,030)
Depreciation of other assets (@ $0.28/mcfe)	(370)	(370)	(370)	(370)
Income taxes (39% rate)	(1,200)	(1,580)	(1,950)	(2,300)
Net income attributable to noncontrolling interest	(38)	(38)	(38)	(38)
Net income[1]	$1,833	$2,423	$3,023	$3,553
Net income to common per fully diluted shares	$2.43	$3.21	$4.00	$4.70
Debt to book capitalization ratio	38%	37%	36%	36%
MEV/operating cash flow[6]	4.2x	3.6x	3.1x	2.8x
EV/ebitda[7]	6.5x	5.5x	4.8x	4.3x
PE ratio[8]	12.3x	9.3x	7.5x	6.4x

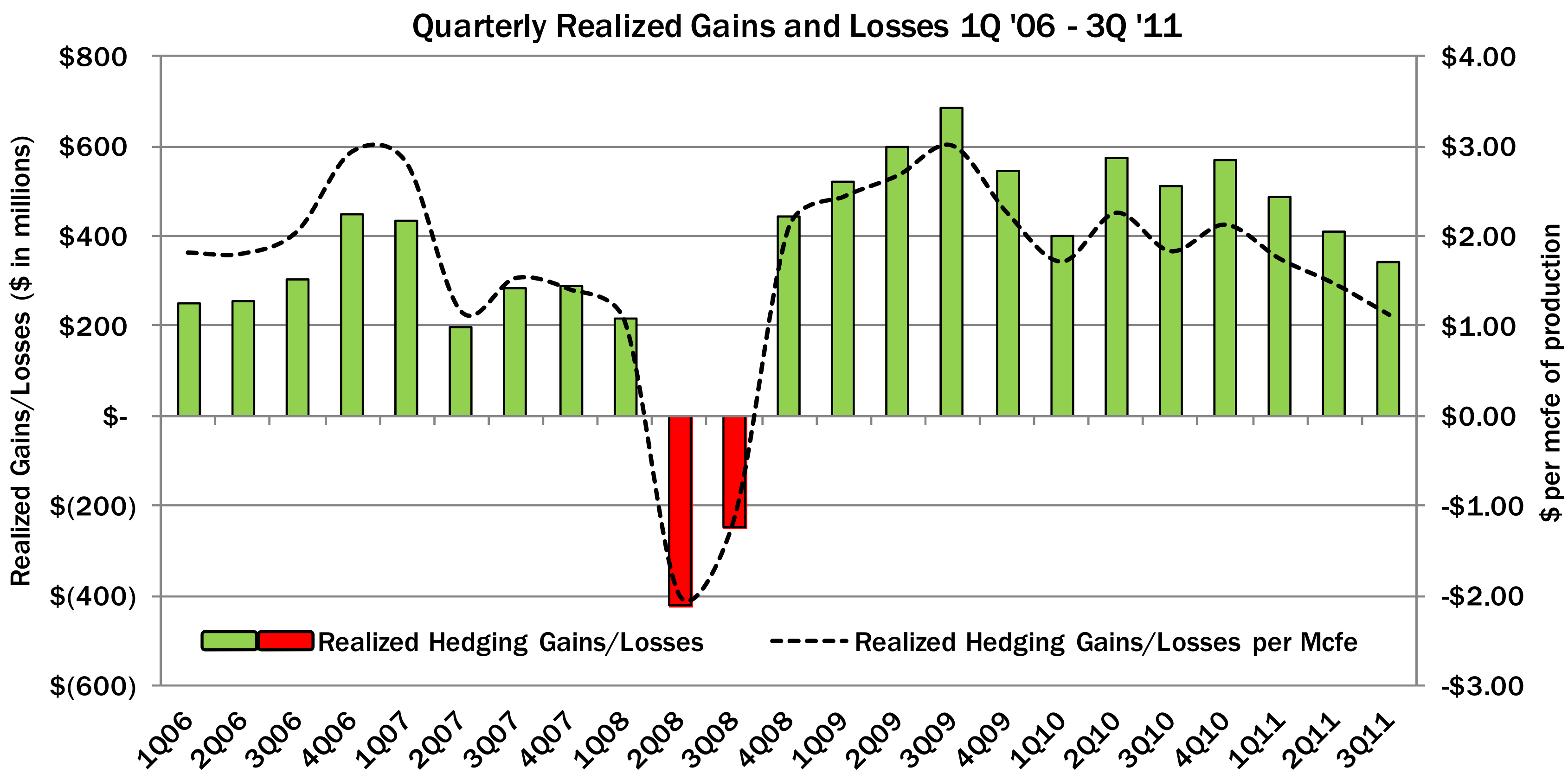
As of 11/3/11 Outlook
(1) Before effects of unrealized hedging gain or loss
(2) Includes the non-cash effect of lifted hedges and financing derivatives
(3) Includes charges related to stock based compensation
(4) Before changes in assets and liabilities
(5) Net income attributable to noncontrolling interest of Chesapeake Granite Wash Trust
(6) Net debt = long-term debt less cash
(7) MEV (Market Equity Value) = $23.0 billion ($30.00/share x 766 mm fully diluted shares as of 9/30/11)
(8) EV (Enterprise Value) = $36.0 billion (MEV plus $10.3 billion in net long-term debt plus $2.7 billion working capital deficit as of 9/30/11); pro forma for Utica Shale industry JV LOI and EIG investment announced 11/3/11
(9) Assuming a common stock price of $30.00/share

2013 Financial Projections at Various Natural Gas Prices

($ in millions; oil at $100 NYMEX)	$4.00	$5.00	$6.00	$7.00
O/G revenue (unhedged) @ 1,484 bcfe[1]	8,860	9,900	10,940	11,980
Hedging effect[2]	(60)	(60)	(60)	(310)
Marketing and other	670	670	670	670
Production taxes 5%	(440)	(490)	(550)	(600)
LOE (@ $0.95/mcfe)	(1,410)	(1,410)	(1,410)	(1,410)
G&A (@ $0.47/mcfe)[3]	(690)	(690)	(690)	(690)
Ebitda	6,930	7,920	8,900	9,640
Interest (@ $0.08/mcfe)[4]	(110)	(110)	(110)	(110)
Operating cash flow[2][3][4]	6,820	7,810	8,790	9,530
Oil and gas depreciation (@ $1.50/mcfe)	(2,230)	(2,230)	(2,230)	(2,230)
Depreciation of other assets (@ $0.28/mcfe)	(410)	(410)	(410)	(410)
Income taxes (39% rate)	(1,630)	(2,020)	(2,400)	(2,690)
Net income attributable to noncontrolling interest	(43)	(43)	(43)	(43)
Net income[1]	$2,508	$3,108	$3,708	$4,158
Net income to common per fully diluted shares	$3.30	$4.09	$4.88	$5.47
Debt to book capitalization ratio	37%	36%	36%	35%
MEV/operating cash flow[6]	3.4x	2.9x	2.6x	2.4x
EV/ebitda[7]	5.2x	4.5x	4.0x	3.7x
PE ratio[8]	9.1x	7.3x	6.1x	5.5x

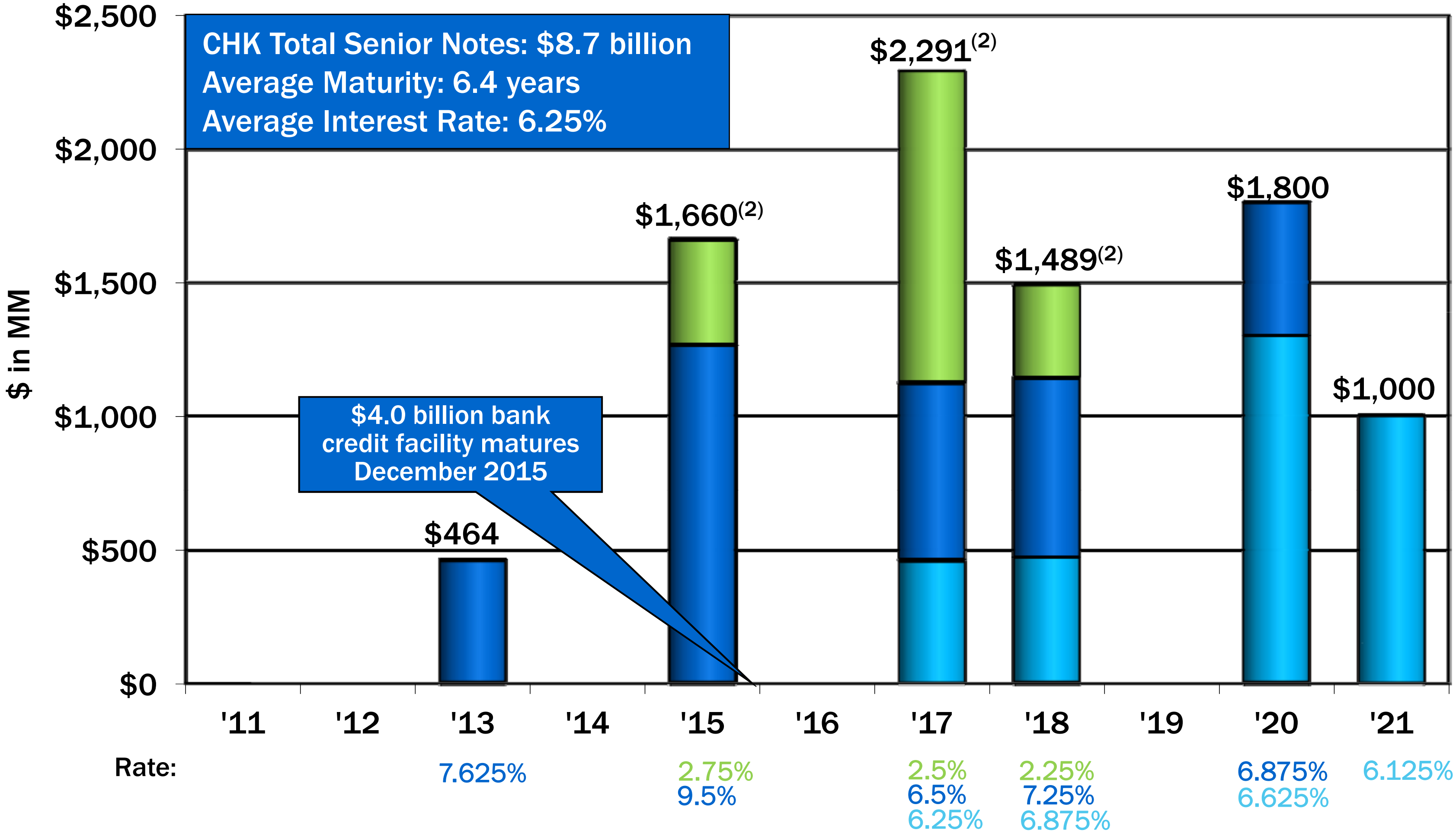
As of 11/3/11 Outlook
(1) Before effects of unrealized hedging gain or loss
(2) Includes the non-cash effect of lifted hedges and financing derivatives
(3) Includes charges related to stock based compensation
(4) Before changes in assets and liabilities
(5) Net income attributable to noncontrolling interest of Chesapeake Granite Wash Trust
(6) Net debt = long-term debt less cash
(7) MEV (Market Equity Value) = $23.0 billion ($30.00/share x 766 mm fully diluted shares as of 9/30/11)
(8) EV (Enterprise Value) = $36.0 billion (MEV plus $10.3 billion in net long-term debt plus $2.7 billion working capital deficit as of 9/30/11); pro forma for Utica Shale industry JV LOI and EIG investment announced 11/3/11
(9) Assuming a common stock price of $30.00/share

CHK Hedging Since 1Q '06: $8.1 Billion of Realized Gains – Best in Industry, by Far



We don't hedge just to say we're hedged, we hedge to make money, have successfully done so 21 of the past 23 quarters

Senior Note Maturity Schedule[1]



(1) As of 9/30/11
(2) Recognizes earliest investor put option as maturity for the 2.75% of 2035, 2.5% of 2037 and 2.25% of 2038 Convertible Senior Notes shown in green

Only $464 million of senior note maturities before February 2015

Don't Forget About These Big Assets[1]

- CHK has invested in a variety of other assets: drilling rigs and other service equipment, various midstream gathering and compression assets, securities of other companies, drilling carries and land and buildings

($ in millions)	Book Value	Market Value
Chesapeake Midstream Partners (NYSE: CHKM)[2]	$ 1,620	$ 1,620
Chesapeake Midstream Development (CMD)	1,600	2,500
Chesapeake Oilfield Services, LLC	1,540	5,000
Investments (Frac Tech, Chaparral, Gastar, Notes Receivable)	470	2,500
Drilling carries[3]	3,610	3,610
Other (buildings and land, vehicles, office equip, etc)	2,350	2,350
Total	$ 11,190	$ 17,580

- CHK believes these assets are worth ~$23/share and yet we don't think market gives any value to them

(1) As of 9/30/11
(2) Assumes CHKM share price of $27.00
(3) Pro forma for Utica Shale industry JV LOI

Summary

Summary

- **2011-12's "30/25" Plan**
  - Increase production by 30% net of asset sales
  - Reduce long-term debt by 25% - well on our way with BHP deal closed and ~$2.0 billion debt tender completed
- **Inflection Point on Natural Gas to Liquids Transition**
  - Rapidly shifting from 90% gas in '10 to more balanced oil/gas production mix of ~25/75% in '12
  - Shift to liquids not yet reflected in market valuation
- **Great Leasehold = Great Upside**
  - ~6.1 mm net acres of leasehold targeting liquids-rich plays
  - Largest leasehold position in the best U.S. onshore natural gas shale plays
- **Great Reserves and Resources**
  - Decades of development drilling at low drilling and completion costs
  - 17.7 tcfe of proved reserves[1]
  - ~338 tcfe unrisked unproved resources (~142 tcf from natural gas shale plays, ~27 billion boe from liquids-rich plays, ~34 tcfe from other conventional and unconventional plays)
- **Value-Adding Joint Ventures**
  - World-class partners (PXP, STO, TOT, CNOOC and "XXX") with ~$3.6 billion of future JV carries
  - Sold assets for >$14 billion, retained remaining JV assets valued by third-parties at >$40 billion
  - Further JVs and asset monetizations on the way
- **Attractive Valuation and Still Delivering Value Through Growth of NAV per Share**
  - Trade at a substantial discount to estimated NAV and way below single shale play companies
  - New Utica discovery and "30/25" Plan will be the catalyst to unleashing stock price
  - What is $11 billion of ebitda in 2015 worth then and today?

• Risk disclosures regarding unproved resource estimates on page 47
(1) Based on trailing 12-month average price required by SEC rules; 18.5 tcfe based on 10-year average NYMEX prices

Corporate Information

Chesapeake Headquarters

6100 N. Western Avenue
Oklahoma City, OK 73118
Web site: www.chk.com

CHK LISTED NYSE

FORTUNE 100 BEST COMPANIES TO WORK FOR 2011
4TH YEAR IN A ROW!

Other Publicly Traded Securities	CUSIP	Ticker
7.625% Senior Notes due 2013	#165167BY2	CHKJ13
9.5% Senior Notes due 2015	#165167CD7	CHK15K
6.25% Senior Notes due 2017	#027393390	N/A
6.50% Senior Notes due 2017	#165167BS5	CHK17
6.875% Senior Notes due 2018	#165167CE5	CHK18B
7.25% Senior Notes due 2018	#165167CC9	CHK18A
6.625% Senior Notes due 2020	#165167CF2	CHK20A
6.875% Senior Notes due 2020	#165167BU0	CHK20
6.125% Senior Notes Due 2021	#165167CG0	CHK21
2.75% Contingent Convertible Senior Notes due 2035	#165167BW6	CHK35
2.50% Contingent Convertible Senior Notes due 2037	#165167BZ9/165167CA3	CHK37/CHK37A
2.25% Contingent Convertible Senior Notes due 2038	#165167CB1	CHK38
4.5% Cumulative Convertible Preferred Stock	#165167842	CHK PrD
5.0% Cumulative Convertible Preferred Stock (Series 2005B)	#165167826	N/A
5.75% Cumulative Convertible Preferred Stock	#165167776/U16450204	N/A
5.75% Cumulative Convertible Preferred Stock (Series A)	#165167784/U16450113	N/A

Corporate Contacts:

Jeffrey L. Mobley, CFA
Senior Vice President – Investor Relations and Research
(405) 767-4763
jeff.mobley@chk.com

John J. Kilgallon
Director – Investor Relations and Research
(405) 935-4441
john.kilgallon@chk.com

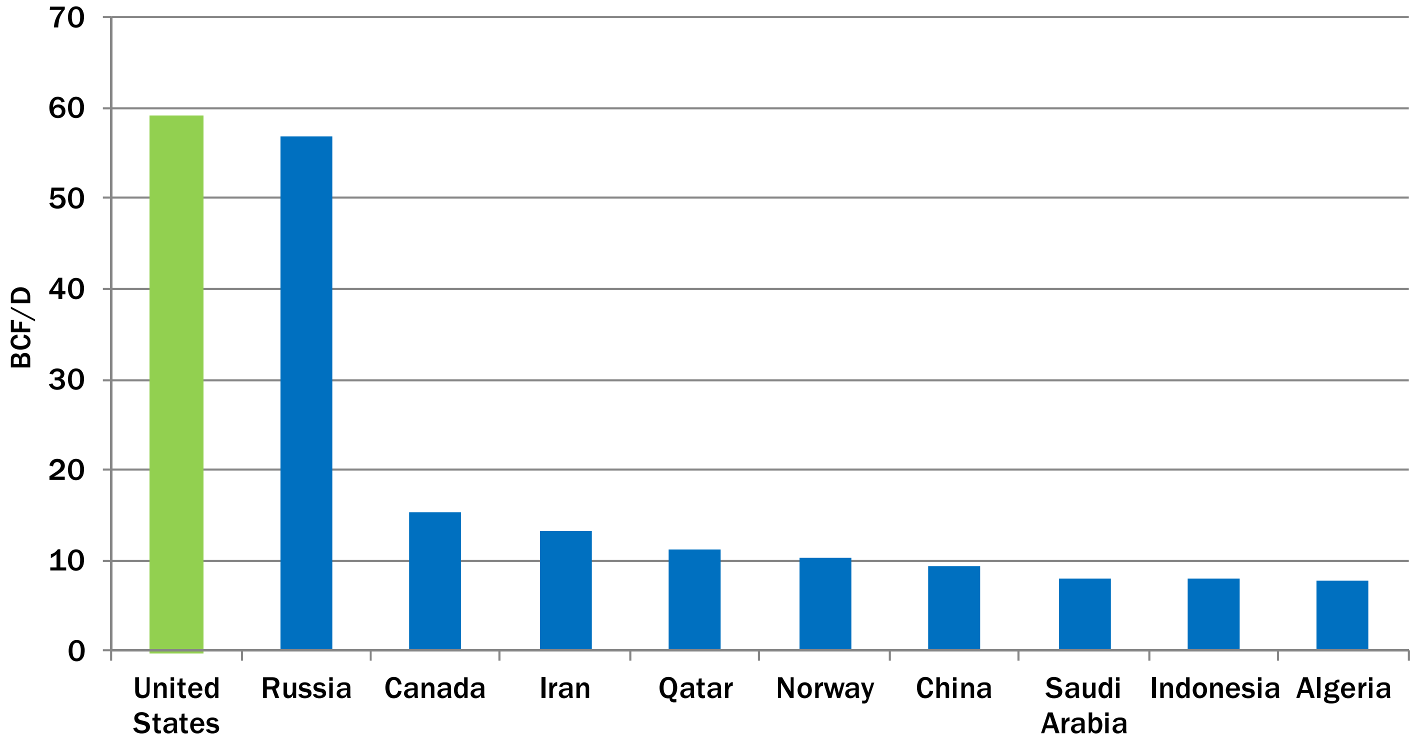
Domenic J. ("Nick") Dell'Osso
Executive Vice President and CFO
(405) 935-6125
nick.dellosso@chk.com

Aubrey K. McClendon
Chairman and CEO
(405) 879-9216
aubrey.mcclendon@chk.com

TWITTER.COM/CHESAPEAKE FACEBOOK.COM/CHESAPEAKE YOUTUBE.COM/CHESAPEAKEENERGY

Appendix

Top Ten Natural Gas Producing Nations



» U.S. was the largest producer of natural gas in 2010

Source: BP Statistical Review 2011

Top 20 U.S. Natural Gas Producers

	Daily U.S. Natural Gas Production[1][2] Company[3]	Ticker	3Q'11	2Q'11	3Q'10	3Q'11 vs. 2Q'11 % Change	3Q'11 vs. 3Q'10 % Change	2010 Reported U.S. Net Proved Natural Gas Reserves	RP Ratio[4]	Proved U.S. Natural Gas Reserves Ranking	U.S. Gas Rigs Drilling on 10/28/11[5]	U.S. Gas Rigs Drilling on 1/1/10[5]	U.S. Gas Rigs % Drilling Change Since 1/1/10
1	ExxonMobil	XOM	3,917	3,842	3,726	2.0%	5.1%	26,111	18	1	47	52	(10%)
2	Chesapeake	CHK	2,763	2,575	2,748	7.3%	0.6%	15,455	15	2	66	110	(40%)
3	Anadarko	APC	2,271	2,326	2,234	(2.4%)	1.7%	8,117	10	6	33	24	38%
4	Devon	DVN	2,028	2,029	1,942	(0.0%)	4.4%	9,065	12	5	40	34	18%
5	EnCana	ECA	1,905	1,864	1,731	2.2%	10.1%	7,477	11	7	29	40	(28%)
6	BP	BP	1,819	1,833	2,190	(0.8%)	(16.9%)	13,743	21	3	12	12	0%
7	ConocoPhillips	COP	1,617	1,651	1,820	(2.1%)	(11.2%)	10,479	18	4	12	10	20%
8	Southwestern	SWN	1,399	1,347	1,138	3.8%	22.9%	4,930	10	9	15	16	(6%)
9	Williams	WMB	1,272	1,203	1,135	5.7%	12.1%	4,272	9	10	17	14	21%
10	Chevron	CVX	1,260	1,299	1,255	(3.0%)	0.4%	2,472	5	18	1	1	0%
11	EOG	EOG	1,122	1,114	1,175	0.7%	(4.5%)	6,491	16	8	17	31	(45%)
12	Shell	RDS	928	903	1,151	2.8%	(19.4%)	2,671	8	15	22	14	57%
13	Apache	APA	858	880	737	(2.5%)	16.5%	2,937	9	14	2	8	(75%)
14	BHP	BHP	857	856	654	0.1%	31.0%	3,110	10	12	25	19	32%
15	Occidental	OXY	799	761	656	5.0%	21.8%	3,034	10	13	6	1	500%
16	El Paso	EP	652	676	601	(3.6%)	8.5%	2,396	10	19	5	8	(38%)
17	QEP	QEP	650	626	598	3.8%	8.7%	2,613	11	16	11	15	(27%)
18	Ultra	UPL	627	627	580	0.0%	8.1%	4,200	18	11	7	11	(36%)
19	EXCO	XCO	528	489	309	8.1%	70.9%	1,499	8	20	26	13	100%
20	Equitable	EQT	523	482	370	8.5%	41.4%	5,206	27	9	13	19	(32%)
	Totals / Average		27,794	27,383	26,749	1.5%	3.9%	136,278			406	452	(10%)
	Other Producers										460	353	30%
	Total										866	805	8%

(1) Based on 3Q'11 company reports
(2) In mmcf/day
(3) Independents in blue, majors in black, pipelines in green
(4) Based on annualized production
(5) Source: Smith Bits, a Schlumberger Company; the total and CHK's rig counts have been adjusted for internal count of allocation to liquids-rich plays

Top 20 U.S. Liquids Producers

	Daily U.S. Liquids Production(1)(2) Company(3)	Ticker	3Q'11	2Q'11	3Q'10	3Q'11 vs. 2Q'11 % Change	3Q'11 vs. 3Q'10 % Change	2010 Reported U.S. Net Proved Liquids Reserves	RP Ratio(4)	Proved U.S. Liquids Reserves Ranking	U.S. Liquids Rigs Drilling on 10/28/11(5)	U.S. Liquids Rigs Drilling on 1/1/10(5)	U.S. Liquids Rigs % Drilling Change Since 1/1/10
1	Chevron	CVX	453	478	482	(5.2%)	(6.0%)	1,275	8	5	6	5	20%
2	ExxonMobil	XOM	405	429	430	(5.6%)	(5.8%)	2,303	16	2	14	4	250%
3	BP	BP	388	465	564	(16.6%)	(31.2%)	2,919	21	1	2	5	(60%)
4	ConocoPhillips	COP	373	383	375	(2.6%)	(0.5%)	1,934	14	3	15	6	150%
5	Occidental	OXY	303	297	270	2.0%	12.2%	1,697	15	4	20	11	82%
6	Anadarko	APC	203	206	196	(1.5%)	3.6%	805	11	7	13	5	160%
7	Shell	RDS	190	221	237	(14.0%)	(19.8%)	843	12	6	1	4	(75%)
8	EOG	EOG	152	131	98	16.4%	55.7%	506	9	11	48	13	269%
9	Apache	APA	142	139	114	2.3%	24.4%	759	15	8	27	2	1250%
10	Devon	DVN	138	138	118	(0.4%)	16.6%	597	12	9	18	7	157%
11	Hess	HES	95	90	93	5.6%	2.2%	304	9	13	14	4	250%
12	Chesapeake	CHK	94	79	49	19.2%	91.2%	273	8	15	105	15	600%
13	BHP	BHP	77	86	91	(11.1%)	(15.9%)	289	10	14	6	0	600%
14	Marathon	MRO	69	72	80	(4.2%)	(13.8%)	173	7	19	12	5	140%
15	Pioneer	PXD	65	58	49	13.4%	32.5%	545	23	10	34	8	325%
16	Denbury	DNR	62	60	64	4.1%	(3.5%)	338	15	12	8	1	700%
17	Whiting	WLL	58	53	54	10.8%	8.7%	254	12	16	19	7	171%
18	Noble	NBL	54	52	54	3.8%	0.0%	225	11	17	0	1	(100%)
19	Plains	PXP	51	49	46	4.9%	9.5%	223	12	18	7	0	700%
20	Continental	CLR	48	40	33	17.8%	42.2%	173	10	16	26	26	0%
	Totals / Average		3,420	3,525	3,499	(3.0%)	(2.2%)	16,436			395	129	206%
	Other Producers										596	246	142%
	Total										991	375	164%

(1) Based on 3Q'11 company reports
(2) In mbbls/day
(3) Independents in blue, majors in black
(4) Based on annualized production
(5) Source: Smith Bits, a Schlumberger Company; the total and CHK's rig counts have been adjusted for internal count of allocation to liquids-rich plays

Clean Energy Fuels Corp. – LNG Fueling Infrastructure

- CHK has agreed to invest $150 million in newly issued convertible debt of Clean Energy Fuels Corp (Nasdaq: CLNE)
- CLNE will use CHK's $150 million investment, plus $150 million from CHK friends Temasek/Seatown/RRJ, to accelerate its build-out of LNG fueling infrastructure for heavy-duty trucks at truck stops across interstate highways in the U.S., thereby creating the foundation for "America's Natural Gas Highway System"
- These two investments are projected to help underwrite 250 - 300 LNG truck fueling stations, increasing by more than 20-fold the number of publicly accessible LNG fueling stations and providing a foundational grid for heavy-duty trucks to have ready access to cleaner and more affordable American natural gas fuel along major interstate highway corridors
- CHK believes $1.5 - 2.0 billion of LNG truck fueling stations (1,000 – 1,250) puts entire heavy truck fuel demand market in reach for natural gas substitution
- 8 million American heavy duty trucks consume ~3 million barrels of diesel every day, that's equivalent to >6 tcf of incremental natural gas demand per year(1)
- The effort to move U.S. transportation sector to natural gas is an important element in significantly increasing domestic natural gas demand

(1) Source: Transportation Energy Data Book – Edition 30, 2011

America's Natural Gas Highway System Objectives

Clean Energy Chesapeake ENERGY

- America's Natural Gas Highway System will deploy LNG fueling stations along every major interstate trucking corridor in the U.S.
  - Focused development along busiest truck routes
  - Deploy stations every 250 - 300 miles
  - Clear line of sight on CLNE's first 90 stations creates interstate coverage coast-to-coast and border-to-border
  - Next 60 stations planned to expand the network and fill gaps
- The transportation market is poised for rapid adoption of natural gas in medium and heavy-duty trucks
  - Proven success of current deployments
  - Fully embraced by original equipment manufacturers (OEM)
  - Right-size engines entering the market
  - Additional technological breakthroughs underway
  - <u>LNG is Cheaper, Cleaner, American & Abundant</u>

Natural Gas is Poised for Fast Transportation Market Penetration

- **Reliable, attractively priced fuel**
  - Natural gas tied to domestic supply and demand factors as compared to crude oil which is susceptible to global influence
  - Known century of supply of natural gas domestically, global crude supplies always questioned
  - Cost savings between natural gas fuel and gasoline/diesel is approximately $1.00 to $1.50 per gallon, ~25% to 40% savings annually on fuel
- **Natural gas powered vehicles have superior environmental performance**
- **Engine manufacturers are broadening their natural gas powered product offerings, which is enabling more and more commercial consumers opportunities to switch**
- **Energy industry encouraging/requesting/advising vendors to use natural gas powered equipments (rigs, trucks, compressions, etc.)**
  - Heckmann Corp. (NYSE: HEK) just announced 200 new natural gas powered trucks to be used for water hauling in the Haynesville Shale
- **Total daily U.S. highway transportation fuel consumption = 62.4 bcf/d[(1)]**
  - Medium/heavy duty trucks account for 27% of highway fuel use, or ~16.7 bcf/d, or ~6.1 tcf/year

(1) Source: Transportation Energy Data Book – Edition 30, 2011 Table 2.6 Transportation Energy Use by Mode, 2008-2009

10% of the medium/heavy duty trucking market using natural gas as a fuel source could create ~1.7 bcf/d of new natural gas demand

America's Natural Gas Highway – September 2011 Actual

America's Natural Gas Highway – December 2012 Projected

Clean Energy® Chesapeake ENERGY

Source: Clean Energy Fuels Corporation

"Green Gasoline" Is On the Way Too

- Sundrop Fuels, Inc. is developing biobased "green gasoline" made from natural gas and cellulosic material:
- CHK has agreed to invest $155 million for a 50% ownership stake in Sundrop Fuels, Inc.
  - The investment over the next two years will fund construction of the largest nonfood waste biomass-based "green gasoline" plant in the world, capable of annually producing more than 40 million gallons of ultra-clean liquid transportation fuel from natural gas and waste biomass.
  - The plant will utilize Sundrop Fuels' proprietary gasification process coupled with proven methanol-to-gasoline process to produce gasoline, rather than the more expensive Fischer-Tropsch process producing a wide variety of hydrocarbons that require further refining or processing

Reconciliation to Operating Cash Flow and EBITDA

($ in millions)(unaudited)

THREE MONTHS ENDED:	September 30, 2011	June 30, 2011	September 30, 2010
CASH PROVIDED BY OPERATING ACTIVITIES	$ 1,631	$ 1,375	$ 993
Changes in assets and liabilities	(222)	(168)	241
OPERATING CASH FLOW [a]	$ 1,409	$ 1,207	$ 1,234

THREE MONTHS ENDED:	September 30, 2011	June 30, 2011	September 30, 2010
NET INCOME	$ 922	$ 510	$ 558
Income tax expense	589	325	349
Interest expense	4	25	3
Depreciation and amortization of other assets	75	63	56
Natural gas and liquids depreciation, depletion and Amortization	423	366	378
EBITDA [b]	$ 2,013	$ 1,289	$ 1,344

THREE MONTHS ENDED:	September 30, 2011	June 30, 2011	September 30, 2010
CASH PROVIDED BY OPERATING ACTIVITIES	$ 1,631	$ 1,375	$ 993
Changes in assets and liabilities	(222)	(168)	241
Interest expense	4	25	3
Unrealized gains (losses) on natural gas and oil derivatives	631	106	53
Gains (losses) on investments	(4)	19	155
Stock-based compensation	(40)	(39)	(44)
Other items	13	(29)	(57)
EBITDA [b]	$ 2,013	$ 1,289	$ 1,344

(a) Operating cash flow represents net cash provided by operating activities before changes in assets and liabilities. Operating cash flow is presented because management believes it is a useful adjunct to net cash provided by operating activities under accounting principles generally accepted in the United States (GAAP). Operating cash flow is widely accepted as a financial indicator of a natural gas and oil company's ability to generate cash which is used to internally fund exploration and development activities and to service debt. This measure is widely used by investors and rating agencies in the valuation, comparison, rating and investment recommendations of companies within the natural gas and oil exploration and production industry. Operating cash flow is not a measure of financial performance under GAAP and should not be considered as an alternative to cash flows from operating, investing or financing activities as an indicator of cash flows, or as a measure of liquidity.

(b) Ebitda represents net income before income tax expense, interest expense and depreciation, depletion and amortization expense. Ebitda is presented as a supplemental financial measurement in the evaluation of our business. We believe that it provides additional information regarding our ability to meet our future debt service, capital expenditures and working capital requirements. This measure is widely used by investors and rating agencies in the valuation, comparison, rating and investment recommendations of companies. Ebitda is also a financial measurement that, with certain negotiated adjustments, is reported to our lenders pursuant to our bank credit agreements and is used in the financial covenants in our bank credit agreements. Ebitda is not a measure of financial performance under GAAP. Accordingly, it should not be considered as a substitute for net income, income from operations, or cash flow provided by operating activities prepared in accordance with GAAP.

Reconciliation of Adjusted EBITDA

($ in millions)(unaudited)

THREE MONTHS ENDED:	September 30, 2011	June 30, 2011	September 30, 2010
EBITDA	$ 2,013	$ 1,289	$ 1,344
Adjustments:			
Unrealized (gains) losses on natural gas and oil derivatives	(631)	(106)	(53)
Losses on purchases or exchanges of debt	—	174	59
Gains on investments	—	—	(121)
Impairment of investments	—	—	16
Losses on sales of other property and Equipment	3	4	17
Other impairments	—	4	20
Adjusted EBITDA [(a)]	$ 1,385	$ 1,365	$ 1,282

(a) Adjusted ebitda excludes certain items that management believes affect the comparability of operating results. The company discloses these non-GAAP financial measures as a useful adjunct to ebitda because:

i. Management uses adjusted ebitda to evaluate the company's operational trends and performance relative to other natural gas and oil producing companies.

ii. Adjusted ebitda is more comparable to estimates provided by securities analysts.

iii. Items excluded generally are one-time items or items whose timing or amount cannot be reasonably estimated. Accordingly, any guidance provided by the company generally excludes information regarding these types of items.

Reconciliation of Adjusted Net Income Available to Common Stockholders

Chesapeake ENERGY

($ in millions, except per-share data)(unaudited)

THREE MONTHS ENDED:	September 30, 2011	June 30, 2011	September 30, 2010
Net income (loss) available to common stockholders	$ 879	$ 467	$ 515
Adjustments:			
Unrealized (gains) losses on derivatives, net of tax	(385)	(61)	(31)
Losses on purchases or exchanges of debt, net of tax	—	106	36
Gains on investment activity, net of tax	—	—	(74)
Impairment of investments, net of tax	—	—	9
Losses on sales of other property and equipment, net of tax	2	3	11
Other impairments, net of tax	—	2	12
(Gain) loss on foreign currency derivatives, net of tax	—	11	—
Adjusted net income available to common stockholders [a]	496	528	478
Preferred stock dividends	43	43	43
Total adjusted net income	$ 539	$ 571	$ 521
Weighted average fully diluted shares outstanding [b]	753	751	744
Adjusted earnings per share assuming dilution [a]	$ 0.72	$ 0.76	$ 0.70

(a) Adjusted net income available to common stockholders and adjusted earnings per share assuming dilution exclude certain items that management believes affect the comparability of operating results. The company discloses these non-GAAP financial measures as a useful adjunct to GAAP earnings because:

i. Management uses adjusted net income available to common stockholders to evaluate the company's operational trends and performance relative to other natural gas and oil producing companies.
ii. Adjusted net income available to common stockholders is more comparable to earnings estimates provided by securities analysts.
iii. Items excluded generally are one-time items or items whose timing or amount cannot be reasonably estimated. Accordingly, any guidance provided by the company generally excludes information regarding these types of items.

(b) Weighted average fully diluted shares outstanding include shares that were considered antidilutive for calculating earnings per share in accordance with GAAP.

Certain Reserve & Production Information

- The Securities and Exchange Commission requires natural gas and oil companies, in filings made with the SEC, to disclose proved reserves, which are those quantities of natural gas and oil that by analysis of geoscience and engineering data can be estimated with reasonable certainty to be economically producible from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations. In this presentation, we use the terms "risked and unrisked unproved resources" to describe Chesapeake's internal estimates of volumes of natural gas and oil that are not classified as proved reserves but are potentially recoverable through exploratory drilling or additional drilling or recovery techniques. These are broader descriptions of potentially recoverable volumes than probable and possible reserves, as defined by SEC regulations. Estimates of unproved resources are by their nature more speculative than estimates of proved reserves and accordingly are subject to substantially greater risk of actually being realized by the company. We believe our estimates of unproved resources, both risked and unrisked, are reasonable, but such estimates have not been reviewed by independent engineers. Estimates of unproved resources may change significantly as development provides additional data, and actual quantities that are ultimately recovered may differ substantially from prior estimates.

- Our production forecasts are dependent upon many assumptions, including estimates of production decline rates from existing wells and the outcome of future drilling activity. Although we believe the forecasts are reasonable, we can give no assurance they will prove to have been correct. They can be affected by inaccurate assumptions and data or by known or unknown risks and uncertainties.

Forward-Looking Statements

- This presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements give our current expectations or forecasts of future events. They include estimates of our natural gas and oil reserves and resources, expected natural gas and oil production and future expenses, assumptions regarding future natural gas and oil prices, planned asset sales, budgeted capital expenditures for drilling and other anticipated cash outflows, as well as statements concerning anticipated cash flow and liquidity, business strategy and other plans and objectives for future operations. Disclosures concerning the estimated contribution of derivative contracts to our future results of operations are based upon market information as of a specific date. These market prices are subject to significant volatility. Although we believe the expectations and forecasts reflected in forward-looking statements are reasonable, we can give no assurance they will prove to have been correct. They can be affected by inaccurate assumptions or by known or unknown risks and uncertainties.

- Factors that could cause actual results to differ materially from expected results are described under "Risks Related to our Business" in our Prospectus Supplement filed with the U.S. Securities and Exchange Commission on February 8, 2011. These risk factors include the volatility of natural gas and oil prices; the limitations our level of indebtedness may have on our financial flexibility; declines in the values of our natural gas and oil properties resulting in ceiling test write-downs; the availability of capital on an economic basis, including through planned asset monetization transactions, to fund reserve replacement costs; our ability to replace reserves and sustain production; uncertainties inherent in estimating quantities of natural gas and oil reserves and projecting future rates of production and the amount and timing of development expenditures; inability to generate profits or achieve targeted results in drilling and well operations; leasehold terms expiring before production can be established; hedging activities resulting in lower prices realized on natural gas and oil sales, the need to secure hedging liabilities and the inability of hedging counterparties to satisfy their obligations; a reduced ability to borrow or raise additional capital as a result of lower natural gas and oil prices; drilling and operating risks, including potential environmental liabilities; legislative and regulatory changes adversely affecting our industry and our business; general economic conditions negatively impacting us and our business counterparties; transportation capacity constraints and interruptions that could adversely affect our cash flow; and losses possible from pending or future litigation.
- We caution you not to place undue reliance on our forward-looking statements, which speak only as of the date of this presentation, and we undertake no obligation to update this information.